

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	CRIMINAL NO.	_____
v.	:	DATE FILED:	_____
NORMAN SHAPIRO	:	VIOLATIONS:	18 U.S.C. §1341
a/k/a "Bill Bradley",	:		(Mail Fraud-19
a/k/a "Jim Warren",	:		Counts)
HOWARD COFF	:		18 U.S.C. §2
a/k/a Jim Davenport",	:		(Aiding and
a/k/a "Howard King,	:		Abetting)
a/k/a "John Davidson",	:		18 U.S.C. §
MARC FELDMAN	:		1956(h)
a/k/a "Glenn Davis",	:		(Money
a/k/a "Jim Adams"	:		Laundering
	:		Conspiracy-1
	:		count)

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

At all times material to this Indictment:

1. Defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN were engaged together in the business of selling light bulbs, cleaning chemicals, trash can liners, and other maintenance products via the telephone, by way of a practice commonly known as telemarketing.

2. The telemarketing business operated out of 303 East Pennsylvania Boulevard, Feasterville, Pennsylvania and at various times used the names Factory Supply Company, Standard Maintenance Products, Institutional Supplies, and All-U-Want Electric Supply Company, and is hereinafter referred to as the "telemarketing

company."

3. Defendants were the joint owners of the telemarketing company who directed salesman and others in the operation of the company. Each defendant also acted as a salesman.

THE SCHEME

4. From in or about August, 1984, through in or about September, 1999, defendants

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",
HOWARD COFF
a/k/a Jim Davenport",
a/k/a "Howard King,
a/k/a "John Davidson",
MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

and others devised and intended to devise a scheme to defraud hospitals, schools, nursing homes, churches, hotels, businesses and other companies and organizations of money and the intangible right to the honest services of their employees, and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

5. Defendants NORMAN SHAPIRO, HOWARD COFF, AND MARC FELDMAN, in selling merchandise to hospitals, nursing homes, schools, churches, hotels, and other companies and organizations

("victim companies"), misrepresented the price of the merchandise, the quality of the merchandise ordered, its longevity, and the circumstances under which the orders were initially placed, and in this way caused victim companies to pay exorbitant prices for merchandise.

6. In selling merchandise to victim companies, the defendants and others used telephones at 303 East Pennsylvania Boulevard, Feasterville, Pennsylvania to call victim companies.

7. The defendants called and caused to be called numerous maintenance employees, purchasing agents, and other employees both with and without purchasing authority at the victim companies.

8. When victim companies did not agree to place an order with the defendants' telemarketing company, the defendants mailed to those victim companies merchandise, such as light bulbs, and sent corresponding invoices charging the victim companies for the merchandise, even though no order had been placed.

9. The defendants invoiced merchandise, both ordered and unordered by the victim companies, at extraordinarily high prices, in most instances prices that were five to ten times higher than those of other accessible suppliers selling comparable items.

10. When over billing and invoices representing unordered merchandise were discovered by victim companies,

defendants falsely claimed this resulted from clerical errors and attempted to effect the sale by adjusting the invoice price but keeping freight and handling charges, which were inflated several times.

11. The defendants provided false warranties for merchandise shipped to victim companies. Defendants advertised warranty periods on items sold which were several times greater than manufacturers' warranties and manufacturers' estimated life expectancies for the same and comparable items, such as light bulbs.

12. The defendants routinely sent gift certificates and gratuities, such as American Express, Sears, and Wal Mart gift certificates, to victim company employees, primarily at the employee's home address, in return for their establishing accounts and continuing to order merchandise despite the extraordinarily high prices charged by the telemarketing company. These gifts were valued at approximately 10% of the amount of the order.

13. The defendants attempted to make repeat sales to victim companies that initially failed to detect the over billing and paid the extraordinarily high invoice prices, and whose employees accepted gifts in return for placing orders for the exorbitantly priced merchandise.

14. When victim companies detected over billing and no longer placed orders and no longer accepted merchandise,

defendants represented themselves to the victim companies as an unrelated company and attempted to make additional sales using one of the other business names employed by the telemarketing company.

15. From in or about 1984 through in or about September 1999, the telemarketing company operated by defendants and others at 303 East Pennsylvania Boulevard, Feasterville, Pennsylvania, contacted more than 4,000 victim companies and attempted to defraud those companies by submitting for payment invoices for a total in excess of \$5,800,000.

16. On or about May 18, 1999, in the Eastern District of Pennsylvania and elsewhere, defendant

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, knowingly caused to be delivered by the United States Postal Service according to the directions thereon, an East Chambers Independent School District check addressed to Factory Supply, P.O. Box 862, Huntingdon Valley, Pennsylvania 19006, for payment of Factory Supply invoice 10574 in the amount of \$2,133.67.

In violation of Title 18, United States Code, Section 1341.

COUNT TWO

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about September 15, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to East Chambers ISD, ATTN: ACCTS PAYABLE, P.O. Box #417, Winnie, Texas 77665, requesting payment for merchandise as indicated on Factory Supply Company invoice number 9496 in the amount of \$1,608.65.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT THREE

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about May 12, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to YMCA, ATTN: ACCTS PAYABLE, 1101 S. Silver Lake St., Oconomowoc, Wisconsin 53066, requesting payment for merchandise as indicated on Factory Supply Company invoice number 8540 in the amount of \$535.82.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FOUR

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about May 04, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to YMCA, ATTN: ACCTS PAYABLE, 1101 S. Silver Lake St., Oconomowoc, Wisconsin 53066, requesting payment for merchandise as indicated on Factory Supply Company invoice number 8539 in the amount of \$719.50.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT FIVE

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about February 13, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Hessel Casino, ATTN: ACCOUNTS PAYABLE, 3 Mile Road, Hessel, Michigan 49745, requesting payment for merchandise as indicated on Factory Supply Company invoice number 8007 in the amount of \$687.77.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SIX

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about June 16, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Greystone Retirement Home, ATTN: ACCOUNTS PAYABLE, 44 High Street, Portland, Connecticut 06480, requesting payment for merchandise as indicated on Factory Supply Company invoice number 8843 in the amount of \$628.48.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SEVEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about May 18, 1999, in the Eastern District of Pennsylvania and elsewhere, defendant

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to YMCA, ATTN: ACCOUNTS PAYABLE, 127 Center Way, Corning, New York 14830, requesting payment for merchandise as indicated on Institutional Supplies invoice number 3379 in the amount of \$313.35.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT EIGHT

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about February 3, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

HOWARD COFF
a/k/a Jim Davenport",
a/k/a "Howard King,
a/k/a "John Davidson",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Shore Regional H.S. District, ATTN: ACCTS PAYABLE, RT 36 Monmouth Park HWY., W. Long Branch, New Jersey 07764, requesting payment for merchandise as indicated on Institutional Supplies invoice number 1794 in the amount of \$654.85.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT NINE

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about January 22, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

HOWARD COFF
a/k/a Jim Davenport",
a/k/a "Howard King,
a/k/a "John Davidson",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Shore Regional H.S. District, ATTN: ACCTS PAYABLE, RT 36 Monmouth Park HWY., W. Long Branch, New Jersey 07764, requesting payment for merchandise as indicated on Institutional Supplies invoice number 1793 in the amount of \$653.45.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT TEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about May 27, 1998, a mediator employed by the Attorney General for the State of New York sent a letter to Factory Supply Company notifying Factory that a consumer had filed a complaint against them.

3. The mediator also sent a response form with the notification letter requesting that a representative from Factory Supply Company review the complaint and state the company's position in writing.

2. On or about June 2, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

HOWARD COFF
a/k/a Jim Davenport",
a/k/a "Howard King,
a/k/a "John Davidson",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, a letter signed with a fictitious name, which attempted to avoid and evade action by the Attorney General for the State of New York, addressed to Department of Law, Bureau of Consumer Frauds And Protection, The Capital, Albany, New York 12224.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT ELEVEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about March 11, 1999, in the Eastern District of Pennsylvania and elsewhere, defendant

HOWARD COFF
a/k/a Jim Davenport",
a/k/a "Howard King,
a/k/a "John Davidson",

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Amerisuites, ATTN: ACCOUNT PAYABLE, 7905 Giacosa Place, Memphis, Tennessee 38133, requesting payment for merchandise as indicated on Factory Supply invoice number 10582 in the amount of \$342.90.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT TWELVE

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about April 05, 1999, in the Eastern District of Pennsylvania and elsewhere, defendant

MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to YMCA Camp Jones Gulch, ATTN: ACCTS PAYABLE, 11000 Pescadero Road, La Honda, California 94020, requesting payment for merchandise as indicated on Factory Supply Company invoice number 10702 in the amount of \$547.46.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT THIRTEEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about May 19, 1999, in the Eastern District of Pennsylvania and elsewhere, defendant

MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, knowingly caused to be delivered by the United States Postal Service according to the directions thereon, a Camp Jones YMCA check payable to Factory Supply Company, received at P.O. Box 862, Huntingdon Valley, Pennsylvania 19006, in payment of Factory Supply Company invoice 10702 in the amount of \$547.46.

In violation of Title 18, United States Code, Section 1341.

COUNT FOURTEEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about June 01, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, knowingly caused to be delivered by the United States Postal Service according to the directions thereon, a Donnelly College check (#007885) payable to Standard Maintenance Company, 303 E. Pennsylvania Blvd., Feasterville, Pennsylvania 19053, for payment of Standard Maintenance Products invoice 4730 in the amount of \$388.65.

In violation of Title 18, United States Code, Section 1341.

COUNT FIFTEEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about August 17, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Donnelly College, ATTN: ACCTS PAYABLE, 608 North 18th Street, Kansas City, Kansas 66102, requesting payment for merchandise as indicated on Standard Maintenance Products invoice number 5244 in the amount of \$343.35.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SIXTEEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about January 26, 1999, in the Eastern District of Pennsylvania and elsewhere, defendant

MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Beloit Comfort Inn, ATTN: ACCOUNTS PAYABLE, 2786 Milwaukee Road, Beloit, Wisconsin 53511, requesting payment for merchandise as indicated on Factory Supply Company invoice number 10302 in the amount of \$330.45.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT SEVENTEEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about January 15, 1999, in the Eastern District of Pennsylvania and elsewhere, defendant

MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Manor Care Health Services, ATTN: ACCOUNTS PAYABLE, 2425 South Memorial Drive, Tulsa, Oklahoma 74129, requesting payment for merchandise as indicated on Institutional Supplies invoice number 2903 in the amount of \$313.35.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT EIGHTEEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about September 25, 1998, in the Eastern District of Pennsylvania and elsewhere, defendant

MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Jewish Home For The Elderly Inc., ATTN: ACCOUNTS PAYABLE, 175 Jefferson Street, Fairfield, Connecticut 06432, requesting payment for merchandise as indicated on Factory Supply Company invoice number 9596 in the amount of \$313.35.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT NINETEEN

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

2. On or about August 31, 1999, in the Eastern District of Pennsylvania and elsewhere, defendant

MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

having devised and intending to devise this scheme, and for the purpose of executing and attempting to execute this scheme, willfully caused to be placed in a depository for mail, an invoice addressed to Mission Valley Center, ATTN: ACCTS PAYABLE, 1640 Camino Del Rio North, San Diego, California 92108, requesting payment for merchandise as indicated on Factory Supply Company invoice number 11658 in the amount of \$395.59.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT TWENTY

THE GRAND JURY FURTHER CHARGES:

1. Paragraphs 1 through 15 of Count One are incorporated here.

At all times material to this Indictment:

2. CoreStates Bank (now First Union), located at Philadelphia, Pennsylvania, was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation.

3. Defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN were the exclusive co-owners of the telemarketing company.

4. From on or about December 5, 1997, through in or about October, 1999, in the Eastern District of Pennsylvania and elsewhere, defendants

NORMAN SHAPIRO
a/k/a "Bill Bradley",
a/k/a "Jim Warren",
HOWARD COFF
a/k/a Jim Davenport",
a/k/a "Howard King",
a/k/a "John Davidson",
MARC FELDMAN
a/k/a "Glenn Davis",
a/k/a "Jim Adams"

conspired and agreed together and with others known and unknown to the Grand Jury, to conduct and attempt to conduct, and aid and abet and willfully cause the conducting of financial transactions affecting interstate commerce, knowing that the property involved in those financial transactions represented the proceeds of some form of unlawful activity, which in fact involved the proceeds of a specified unlawful activity, that is, mail fraud, with the intent to promote the carrying on of the specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i).

MANNER AND MEANS

It was part of the conspiracy that:

5. The defendants deposited the proceeds from their mail fraud scheme, that is, approximately \$4,071,000, into a bank account opened in the name of Factory Supply, Inc. at CoreStates Bank (now First Union), Philadelphia, Pennsylvania.

6. The defendants made total withdrawals from the CoreStates Bank account of approximately \$4,042,000, representing proceeds from the defendants' mail fraud scheme.

7. Thereafter, defendants used approximately \$1,356,418 of those unlawful proceeds from the CoreStates Bank account to pay the overhead and expenses of their telemarketing company. These payments included, among other things, checks for maintenance products that the telemarketing company resold to the victim companies, promotional gift certificates, rent, and

utility expenses for the telemarketing company.

OVERT ACTS

In furtherance of the conspiracy, defendants NORMAN SHAPIRO, HOWARD COFF and MARC FELDMAN, and others known and unknown to the Grand Jury, committed the following overt acts, among others, in the Eastern District of Pennsylvania and elsewhere:

1. On or about April 25, 1998, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 2786, in the amount of \$1,894.14, which was payable to Miller Lighting, Inc., to be written on Factory Supply Company, Inc. account no. 0089020176 at CoreStates Bank, Philadelphia.

2. On or about September 14, 1998, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 2767, in the amount of \$1,425.76, which was payable to Bell Atlantic PA, to be written on Factory Supply Company, Inc. account no. 0089020176 at CoreStates Bank, Philadelphia.

3. On or about October 1, 1998, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 2795, in the amount of \$4,125, which was payable to American Express, to be written on Factory Supply Company, Inc. account no. 0089020176 at CoreStates Bank, Philadelphia.

4. On or about October 2, 1998, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 2809, in the amount of \$1,406.79, which was payable to Carole Steiner, to be written on Factory Supply Company, Inc. account no.

0089020176 at CoreStates Bank, Philadelphia.

5. On or about October 6, 1998, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 2828, in the amount of \$5,905.10, which was payable to Topaz Lighting Corp., to be written on Factory Supply Company, Inc. account no. 0089020176 at CoreStates Bank, Philadelphia.

6. On or about October 6, 1998, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 2824, in the amount of \$7,527.60, which was payable to Coastal Industries, to be written on Factory Supply Company, Inc. account no. 0089020176 at CoreStates Bank, Philadelphia.

7. On or about October 21, 1998, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 2855, in the amount of \$6,268.70, which was payable to Miller Lighting, Inc., to be written on Factory Supply Company, Inc. account no. 0089020176 at CoreStates Bank, Philadelphia.

8. On or about October 21, 1998, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 2853, in the amount of \$8,788.70, which was payable to Superior Sales, to be written on Factory Supply Company, Inc. account no. 0089020176 at CoreStates Bank, Philadelphia.

9. On or about February 19, 1999, defendants NORMAN SHAPIRO, HOWARD COFF, and MARC FELDMAN caused check number 3104, in the amount of \$3,074.50, which was payable to Rod Heller, to be written on Factory Supply Company, Inc. account no. 0089020176

at CoreStates Bank, Philadelphia.

All in violation of Title 18, United States Code,
Section 1956(h).

NOTICE OF FORFEITURE

1. As a result of the violation of Title 18, United States Code, Section 1956(h), set forth in Count 20 of the Indictment, defendants shall forfeit to the United States under Title 18, United States Code, Section 982:

Any and all real property involved in the violation of Title 18, United States Code, Section 1956(h), and property traceable to such property, including:

(a) the sum of \$1,356,418 which represents the total amount of criminally derived property disbursed with the intent to continue to promote and facilitate the defendants' mail fraud scheme.

2. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendants,

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred or sold to, or deposited with, a third person;

(c) has been placed beyond the jurisdiction of the Court;

(d) has been substantially diminished in value;

(e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b)(1)(A) to seek forfeiture of any other property of the defendants up to the value of the

property listed above as being subject to forfeiture.

All pursuant to Title 18, United States Code, Section 982.

A TRUE BILL:

FOREPERSON

PATRICK L. MEEHAN
United States Attorney